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SIPDIS

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TAGS: PGOV PREL UP
SUBJECT: CORRECTED COPY: COALITION AGREEMENT SIGNED -
OU-PSD FACTION LEADERSHIP RESIGNS

REF: A. KYIV 2424
B. KYIV 2191

Classified By: Ambassador William Taylor for reasons 1.4 (b,d).

Summary

¶1. (SBU) With the support of 37 out of 72 Our Ukraine-People's Self-Defense (OU-PSD) MPs, deputy faction leader Borys Tarasyuk on December 16 signed a coalition agreement with PM Yuliya Tymoshenko's BYuT and Rada Speaker Volodymyr Lytvyn's bloc. Two of President Viktor Yushchenko's closest allies in the Rada, OU-PSD faction leader Vyacheslav Kyrylenko and deputy faction leader Roman Zvarych, resigned their faction leadership positions and remain opposed to the new coalition. End Summary.

Coalition Agreement Signed

¶2. (U) Turning a page in the ongoing Ukrainian political drama, 37 OU-PSD MPs voted at a faction meeting on December 16 to sign a coalition agreement with BYuT and the Lytvyn bloc. Although the coalition was announced on December 9 by Speaker Lytvyn (ref. A), the final agreement had yet to be signed. 17 OU-PSD MPs either voted against the coalition agreement or abstained -- the remaining 18 faction members were not present at the meeting. The 37 OU-PSD MPs also voted to confirm that deputy faction head Borys Tarasyuk had the authority to sign the coalition agreement. Tarasyuk, BYuT faction leader Ivan Kyrylenko, and newly-elected head of the Lytvyn Bloc, Ihor Sharov, signed the agreement at a ceremony during a break in the Rada session.

¶3. (C) Pro-coalition OU-PSD MP Kyrylo Kulikov told us that Yuriy Kostenko, OU-PSD MP and leader of the Ukrainian People's Party (UPP), delivered the 37th vote for the coalition. Interestingly, Kostenko did not personally sign on to the coalition -- he had reportedly been pressured to abstain by Yushchenko -- but instead delivered the vote of his party-member, Yaroslav Dzhodzhik, to achieve majority support for the coalition.

No Support for Constitutional Changes or Early Elections --
NATO After Referendum

¶4. (U) While the final coalition agreement has not yet been published, coalition members said the agreement includes language that prohibits its members from supporting constitutional changes that would upset the balance of power between the government and the President, and prohibits support for early parliamentary elections. The agreement is not specific on potential government positions for the Lytvyn bloc, stating only that the coalition will consider nominations for changes to the government within the agreed upon quotas. On the question of NATO membership, a potential

stumbling block between BYuT and OU-PSD, the two sides agreed that Ukraine will join NATO only after a national referendum on membership.

Yushchenko Allies Resign from OU-PSD Leadership Positions

15. (C) After the OU-PSD vote, faction head Vyacheslav Kyrylenko and deputy faction head Roman Zvarych, both close allies of Yushchenko and opponents of the coalition, resigned their faction leadership positions. Pro-coalition OU-PSD MPs told us they were glad to see Kyrylenko gone, as he would act on orders from the President only. Tarasyuk said that the faction would elect new leadership that will represent the interests of the faction and would not "obey outside instructions."

Comment

16. (C) Yushchenko has lost his two closest allies in OU-PSD, weakening his already tenuous control over the faction. Tymoshenko and Lytvyn have declared the political crisis over. Nevertheless, we anticipate that there may yet be continued opposition to the coalition's legitimacy from Yushchenko allies. BYuT MPs are confident, saying that they would welcome a challenge to the coalition. With Speaker Lytvyn, PM Tymoshenko and their allies firmly behind the coalition, it appears likely that any such challenge would end up in the Constitutional Court.

TAYLOR